## ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION



1 2 **COMMISSIONERS** 

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MARC SPITZER, Chairman 2004 FEB - 6 P 1: 41 WILLIAM A. MUNDELL

JEFF HATCH-MILLER MIKE GLEASON

AZ CORP COMMISSION DOCUMENT CONTROL

5 KRISTIN K. MAYES

IN THE MATTER OF:

DOCKET NO. S-03523A-03-0000

INTERNATIONAL GLOBAL POSITIONING. INC., a Nevada corporation

720 Brazos Street, Ste. 500

Austin, TX 78701

JOHN J. MADSEN 11801 W Hwy. 71

Austin, TX 78738

MICHAEL J. COKER 11801 W Hwy. 71

Austin, TX 78738

DOCKETED BY

Arizona Corporation Commission

OCKETED

FEB 0 6 2004



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JAMES W. DREOS, individually and dba 14 DREOS FINANCIAL SERVICES, and JANE DOE

DREOS, husband and wife

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10201 E. North Ranch Gate Road Scottsdale, AZ 85255

16 CRD# 802681

17 EDMOND L. LONERGAN and JANE DOE

LONERGAN, husband and wife

16126 East Powderhorn Drive Fountain Hills, AZ 85268

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CORPORATE ARCHITECTS, INC., a Nevada

20 corporation

8360 East Via de Ventura, Ste. L200

Scottsdale, AZ 85258

Respondents.

## **FOURTH** PROCEDURAL ORDER

## BY THE COMMISSION:

On November 18, 2003, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order to Case, and Desist, for Restitution, for Administrative Penalties, of Revocation and/or Suspension and for Other Affirmative Action ("Notice") against International Global Positioning, Inc. ("IGP"), John

J. Madsen, Michael J. Coker, James W. Dreos, individually and dba Dreos Financial Services

("DFS") and Jane Doe Dreos, Edmond L. Lonergan and Jane Doe Lonergan and Corporate Architects, Inc. ("CAI") (collectively "Respondents") in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of stock.

Respondents were duly served with copies of the Notice.

On December 2, 2003, Respondents James and Esther Dreos filed a request for hearing.

On December 4, 2003, Respondents Lonergan and CAI filed a request for hearing.

On December 5, 2003, Respondents IGP, Madsen and Coker filed a request for hearing.

On December 18, 2003, by Procedural Order, a pre-hearing conference was scheduled on January 15, 2004.

On December 22, 2003, IGP, Madsen and Coker, by counsel, filed what was captioned "Motion to Extend Time to File Amended Answer and Preliminary Answer ("IGP Motion") to January 5, 2004.

On December 23, 2003, IGP, Mr. Madsen and Mr. Coker, by counsel, filed an amendment to the IGP Motion and requested until January 12, 2004 to file the amended Answer.

On December 29, 2003, the Division filed its Response to the IGP Motion and indicated that it did not object to the request for an extension. Lonergan also filed an amended request for hearing signed by Mrs. Lonergan.

On December 30, 2003, by Procedural Order, IGP's Motion was granted and Respondents IGP, Madsen and Coker were granted until January 12, 2004 to file an amended Answer.

On January 12, 2004, IGP, Madsen and Coker filed their amended Answer.

On January 15, 2004, at the pre-hearing conference, the Division, IGP, Madsen, Coker and Dreos appeared through counsel. Respondents Lonergan and CAI did not appear. The parties have been in discussions to resolve the allegations raised in the Notice and agreed that another pre-hearing conference should be scheduled on March 4, 2004 to review the status of the proceeding.

On January 15, 2004, Respondents IGP, Madsen and Coker filed what was captioned "Motion to Sever Proceedings" ("Motion to Sever") from the proceedings against Respondents Dreos, Lonergan and CAI.

1	On January 16, 2004, by Procedural Order, a pre-hearing conference was scheduled for March	
2	4, 2004.	
3	On January 20, 2004, the Division filed a response to the Motion to Sever arguing that it	
4	should be denied because it would result in delays, expense, prejudice and harm to investors.	
5	On January 27, 2004, Respondent James Dreos filed a response objecting to the Motion to	
6	Sever. His objection pointed out that the Motion to Sever was not supported by any sworn statements	
7	in support of the Motion to Sever.	
8	Accordingly, the Motion to Sever should be denied.	
9	IT IS THEREFORE ORDERED that the Motion to Sever Proceedings is hereby denied.	
0	IT IS FURTHER ORDERED that the pre-hearing conference scheduled for March 4, 2004, a	
1	11:00 a.m. shall take place as previously ordered.	
2	DATED thisday of February, 2004	
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14	14	My Line
15	MARC E. STERN	
16		TRATIVE LAW JUDGE
17	Copies of the foregoing were maried derivered	
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19	19 16126 East Powderhorn Drive SHANN	ce J. Fleming ION & FLEMING, P.C.
20		ast Bethany Home Road , AZ 85016
21	CORPORATE ARCHITECTS, INC. Attorney 8360 East Via Ventura, Ste. L200 Esther I	ys for Respondents James W. and Oreos
22	Scottsdale, AZ 85258 Matt Ne	eubert, Director
23	30 II	es Division NA CORPORATION COMMISSION
24		est Washington Street x, AZ 85007
25	James S. Freedman 1403 East Commodore Place	
26	Tempe, AZ 85283 Attorneys for Respondents International	
27	Global Positioning, Inc., John J. Madsen and By:	Molly Johnson
20		Secretary to Marc E. Stern